

OSMA-2286-68  
CI-68-19-437

25X1A

REPLY TO:

[Redacted box]

July 26, 1968

25X1A

Subject: Report on Evaluation of Contract

[Redacted box]

Contract PB-7322

TO : Contracting Officer

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1. Purpose of Evaluation. As requested, an evaluation was performed on the subject contractor's cost proposal for the purpose of determining the reasonableness of the estimated costs of [redacted] and proposed fee of [redacted]. The proposal was prepared on a CFF basis and is for various spares lists (design change notices).

2. Results of Evaluation. The contractor's proposal as presented appears to be reasonable, subject to the FSO verification of the items and respective quantities indicated.

3. Scope of Evaluation. The evaluation included an examination of the method of pricing DCNs. Where costs were negotiated on a prior list, the current proposed prices were compared for consistency and to determine that the latest pricing data was used. On "first appearance" items, detailed analysis was performed to verify that the then existing approved rates and factors were properly applied. The labor hours proposed were reviewed to supporting details. Purchased parts and subcontracted items were verified to vendor quotes or to purchase orders.

ARTHUR G. HANLEY  
DCAA Representative - AFL